

# Human Resources Department 2014 Budget Hearing

Department found on pages E76 – E83 in budget book

Presentation to Ways and Means/Budget Committee  
September 16, 2013

# HR Department Programs

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## Administration

## Funding

- \$826,423 General Fund

## FTE

- 4.0

## Benefits

- Provides HR strategic direction and support to ensure alignment with the vision and goals of the City.

# HR Department Programs

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## Employee Services

Benefits & Wellness, Classification, Compensation, Complaint Investigation, and Labor Relations

## Funding

- \$985,700 General Fund
- \$866,666 Internal Service

## FTE

- 11.8 (1 New FTE)

## Benefits

- Equity in Compensation
- Addressing Employee Complaints
- Compliance with Federal & State Regulations
- Bargaining Units Negotiation
- Resources to Support the Implementation of the Affordable Care Act

# HR Department Programs

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## **Employment Services**

Staffing, Testing and HR Support

## **Funding**

- \$3,032,970 General Fund

## **FTE**

- 20.0 (1 New FTE)

## **Benefits**

- Department partnerships on key HR Initiatives (Workforce Plans)
- Management consultation, Resolution of Employment Issues and Risk Management
- Centralized Point of Contact
- Ensures Compliance with Civil Service Rules, Labor Agreements, etc.

# HR Department Programs

## HR Technology Solutions

ERP/HRIS Application\*

### Funding

- \$637,407 General Fund
- \$778,271 Internal Service

### FTE

- 7.0
  - (Includes funding of 2.5 IT FTEs who support HRIS)

### Benefits

- Employee Access to Data
- Tracks/Reports Data for Decision making and Business Planning

# HR Department Programs

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## ***PerformMinneapolis***

Includes \$126,000 for Halogen Licensing

### **Funding**

- \$465,626 General Fund
- \$46,897 Internal Service

### **FTE**

- 2.0

### **Benefits**

- Systematic Approach to Organization Improvement: Outcome and Employee Development Focus
- Creates “line of sight”
- Operationalizes the Business Plan
- Automates Performance Appraisal Process

# HR Department Programs

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## Workforce Planning

### Funding

- \$637,097 General Fund

### FTE

- 6.0

### Benefits

- Enhances HR effectiveness by adding a valuable set of services to assist departments in identifying and preparing the workforce needed in the future

# HR Department Programs

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## Enterprise Learning & Development

### Funding

- \$226,000 General Fund

### FTE

- 0.0

### Benefits

- Enhance Skills and Competencies of Employees
- Prepare Individuals for Management and Leadership Roles
- Learning and Development in Support of City Initiatives



# HR Department Programs

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## Employee Transportation Benefits

### Funding

- \$125,000 General Fund
  - Metropass - \$100,000 (Includes \$25,000 in one time funding)
  - Nice Ride - \$15,000 (Includes \$5,000 in one time funding)
  - Car Sharing - \$10,000 (One time funding)

### FTE

- 0.0

### Benefits

- Encourages Use of Public Transportation
- Reduces Congestion on City Streets

# Department Successes

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## ■ **Successful Execution of Job Redesign**

- Partnership with Public Works and Labor
- Resulting in Workforce Flexibility

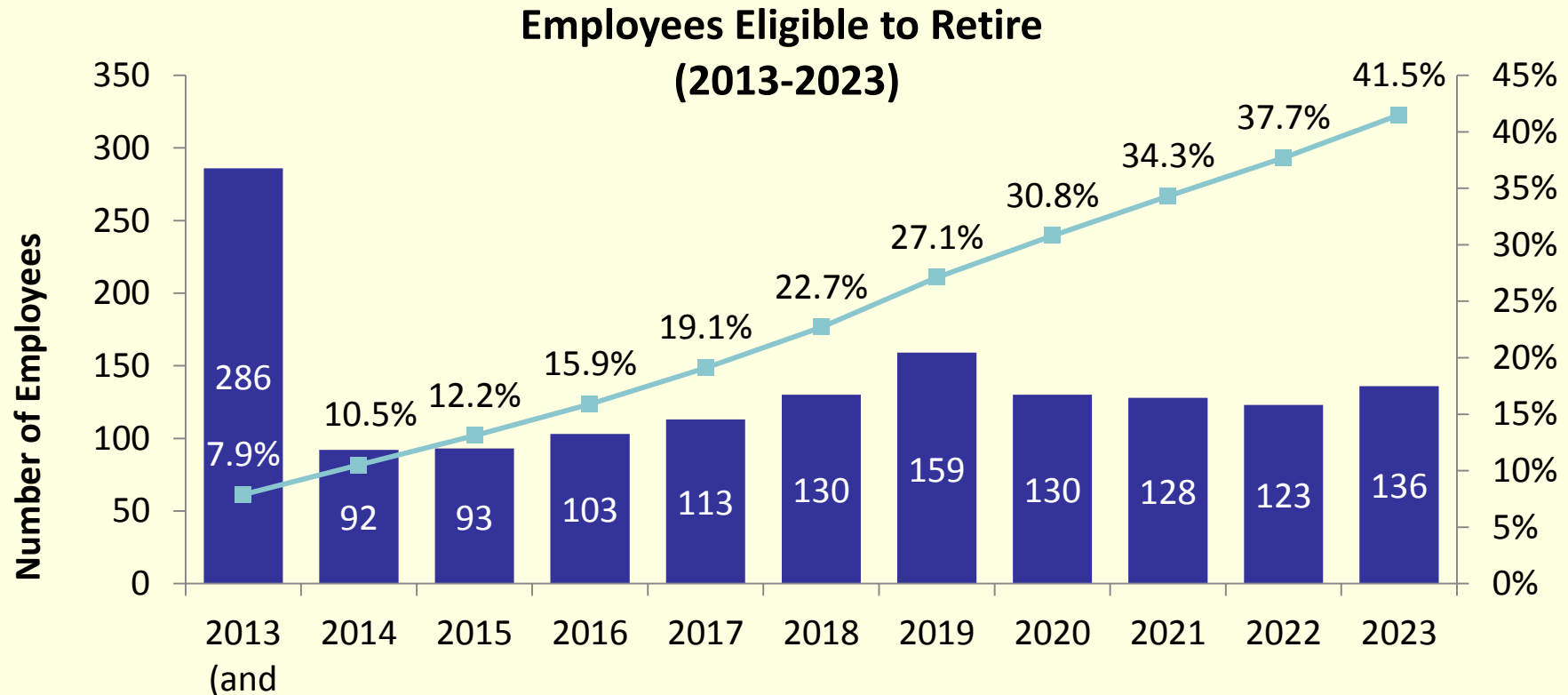
## ■ **Benefits & Wellness**

- Wellness Program participation rate above local and national norms (2012 Participation Rate = 85%)
- Health risk scores continue to decline for program participants

## ■ **Labor Relations**

- 100% of labor contracts within budget
- No job actions or interest arbitrations

# Key Measures Driving Future Workforce



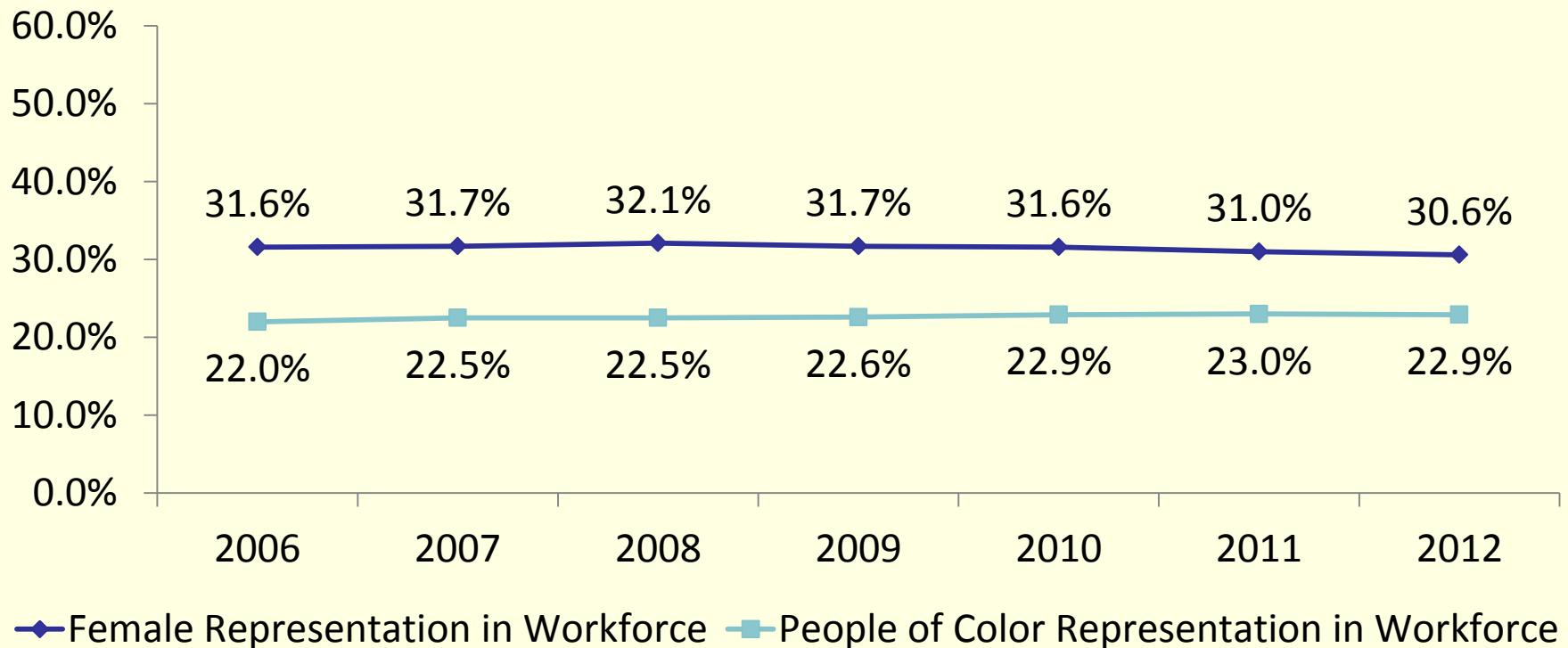
Notes:

- 1) Includes 105 employees who were eligible to retire before 2013 (1992 to 2012)
- 2) Eligibility is projected based on information in HRIS. Service Credit gained with other organizations is not included.
- 3) Includes Full-time and Regular and Full-Time Seasonal Employees
- 4) Cumulative % assumes a workforce of 3600 Employees
- 5) Data Source: HRIS – March 7, 2013

■ # of Employees

# Key Measures Driving Future Workforce

## Representation of Females and People of Color in City of Minneapolis Workforce



Note: Seasonal Employees included for 2008-2012

# New Resources Recommend by Mayor

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- **Additional HR Generalist (\$100,000)**
  - Enhances Service Delivery
  - Reduces Risks
  
- **Enterprise Learning & Development (\$226,000)**
  - Investment in the City's Workforce
  - Due to increased competition, this will assist in attracting and retaining top talent
  
- **Implementation of Affordable Care Act (\$80,000 One Time)**
  - Support Benefits staff in implementing the requirements of the Affordable Care Act.

# Impact of Recommended Budget on Key Results

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- ***PerformMinneapolis (\$126,000)***
  - **Halogen Licenses**
    - Aids in Aligning Employee Performance with Department and City Goals
    - Facilitates Employee Development
- **Employee Transportation Benefits (\$125,000)**
  - **Car-Sharing (\$10,000 One Time)**
  - **MetroPass Subsidy (\$100,000; \$25,000 One Time)**
  - **Nice Ride (\$5,000 One Time)**
    - Encourages use of public transportation

# Talent Management Framework

**Workforce and Succession  
Planning**

**Recruitment, Retention  
and Orientation**

**Engagement  
Workforce Competencies  
Diversity - Inclusion  
Racial Equity  
HR Technology  
Metrics  
HR Compliance**

**Onboarding, Learning and  
Career Development**

*PerformMinneapolis*

# New Initiatives for 2014

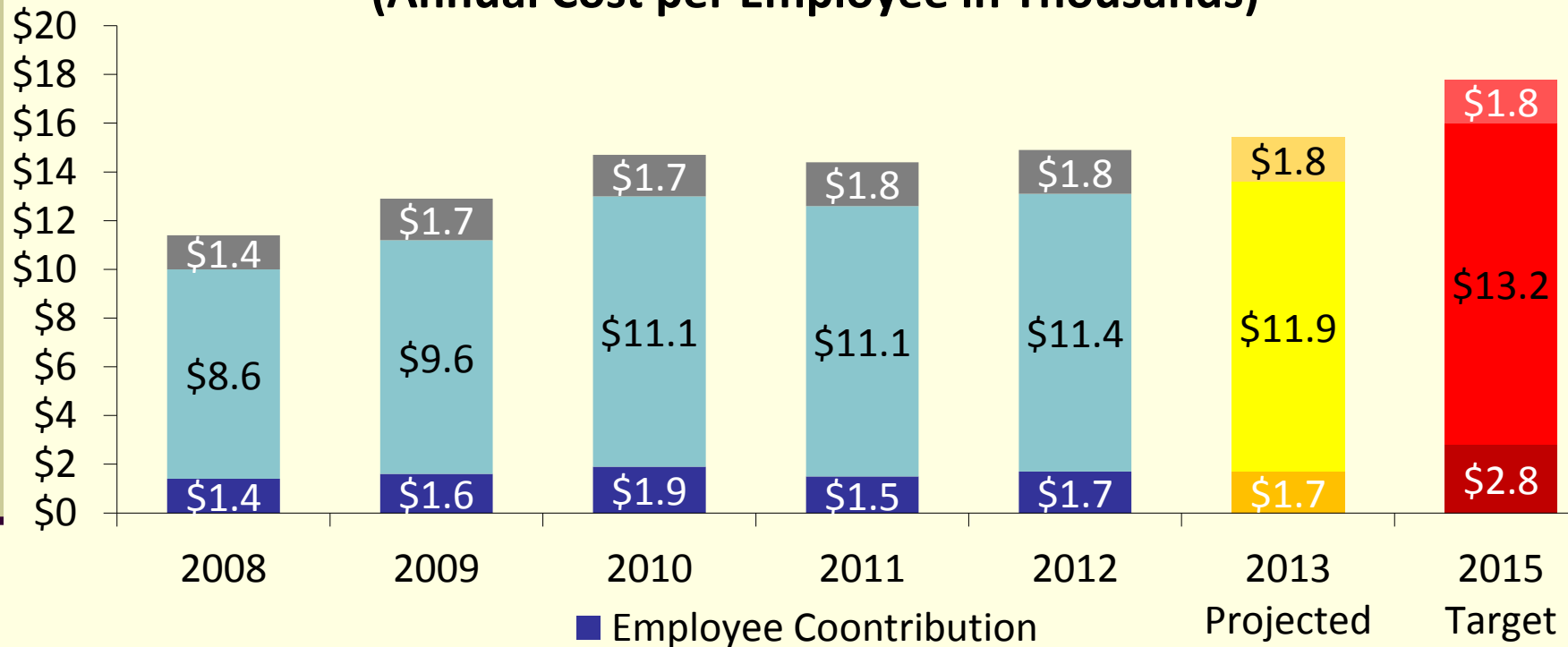
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- **Realignment of Employment Services Division**
  - Stronger Focus – Talent Management
    - Deepen HR Compliance
    - Strengthen Customer Focus
    - Facilitates stronger consistency in service delivery
    - Design and execution of leadership and management strategies
    - Integration of racial equity, diversity and inclusion strategies into Talent Management Framework
  
- **Enhance HR Analytics and Metrics**
  - Strengthen Reporting Process – *Results Minneapolis*



# Key Measures Affecting Future City Budget includes Independent Boards and Agencies

**Health Insurance Cost Growth  
(Annual Cost per Employee in Thousands)**



Note: 2015 target assumes 7% annual medical premium increases starting in 2013 (this will allow the City to avoid paying the 40% excise tax associated with high cost medical plans starting in 2018), employees pay 17.5% of premium and monthly HRA/VEBA contributions equal \$90 single and \$190 family.

# Concerns for the Future Sustainability

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- **Areas of Potential Risk**
  - **Benefits and Wellness**
  - **Other**
- **Technology Support**

# Operating Capital Request (CARs)

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- **ERP Upgrade (Includes HRIS PeopleSoft 9.2)**
  - Five Year Request - \$6,450,000
    - 2014 - \$5,250,000 (PeopleSoft and Business Intelligence)
  - Partnership with Finance and IT
- **Upgrade is needed as current version of HRIS PeopleSoft (8.9) is no longer fully supported.**

# Major Contracts in Department

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## ■ Employee Benefit Providers

- Medica
- Delta Dental
- CIGNA (Life and LTD)
- Wage Works (Flexible Spending Account Administration)

## ■ Oracle PeopleSoft (HRIS)

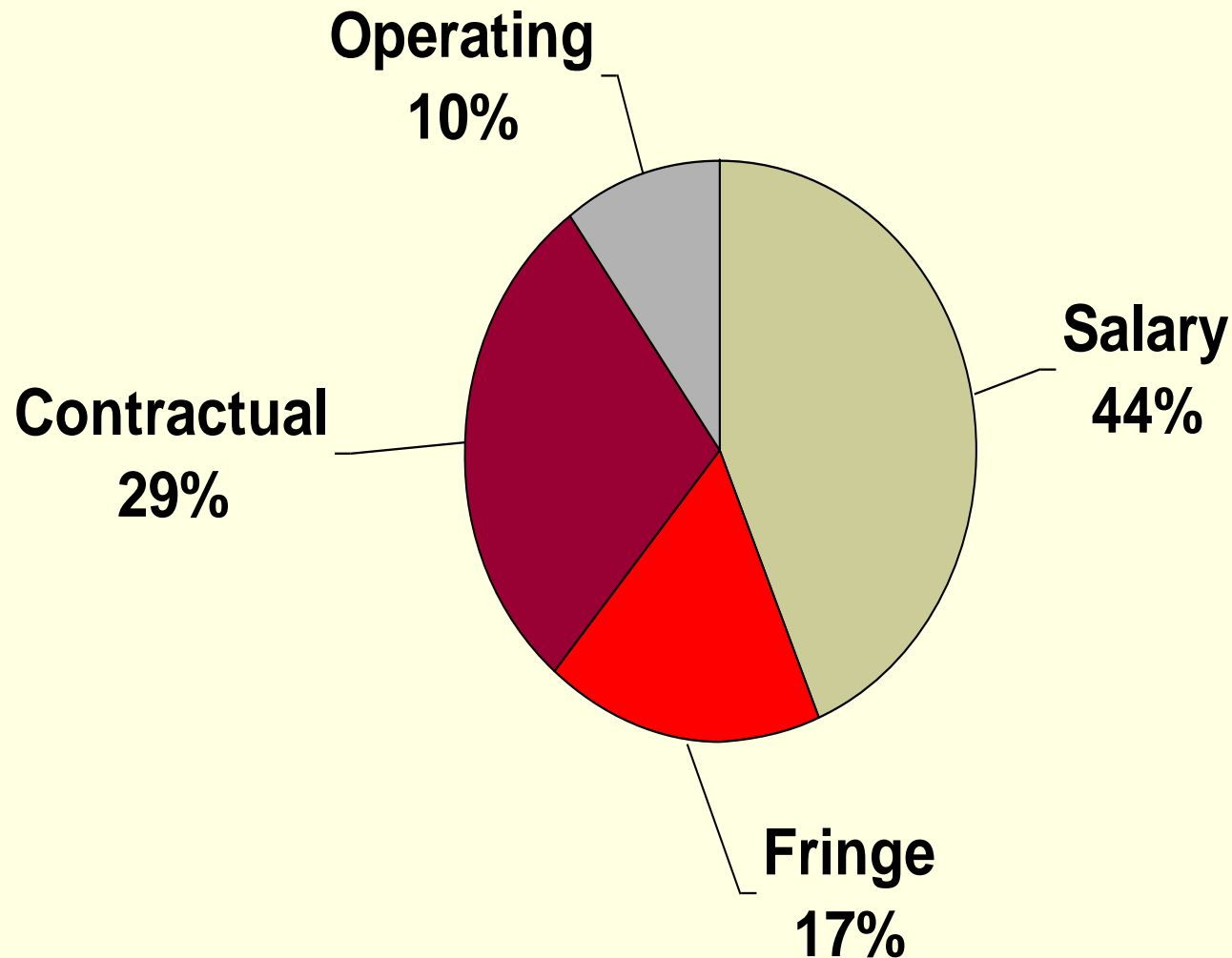
## ■ Halogen Performance Management System

## ■ Opportunities to increase the use of Women or Minority Business Enterprise (W/MBE) contractors:

- Employee Engagement Survey
- Management Assessment and 360 Feedback Services
- External Consultants (Benefits & Wellness, Diversity Management, HRTS, Recruitment, T&D)

# Human Resources Department Expenditures by Type (\$8.6 million)

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# Human Resources Department

## Revenue by Type (\$1.4 million)

**Charges for  
Service  
100%**

